

**LAW OFFICES OF
LOUIS E. GITOMER**

LOUIS E. GITOMER
LOU_GITOMER@VERIZON.NET

THE ADAMS BUILDING, SUITE 301
600 BALTIMORE AVENUE
TOWSON, MARYLAND 21204-4022
(202) 466-6532
FAX (410) 332-0885

December 1, 2009

Ms. Cynthia T. Brown
Chief of the Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street, S.W.
Washington, D. C. 20423

RECORDATION NO. 28086 FILED
DEC 01 '09 -10 08 AM

Dear Ms. Brown:

SURFACE TRANSPORTATION BOARD

I have enclosed for e-filing a copy of the document described below, to be recorded pursuant to 49 U.S.C. § 11301.

The document is a Memorandum of a Lease Agreement, a primary document, dated as of November 23, 2009. We request that this document be given the next available recordation number.

The names and addresses of the parties to the Memorandum of Lease Agreement are:

Lessor:

GATX Rail Locomotive Group, L.L.C.
Four Embarcadero Center, Suite 2100
San Francisco, CA 94111

Lessee:

Gallatin Steel Company
4831 U.S. Highway 42 West
Ghent, KY 41045-9704

A description of the equipment covered by the Memorandum of Lease Agreement consists of two SW 1001 locomotives numbered GMTX 92 and 93.

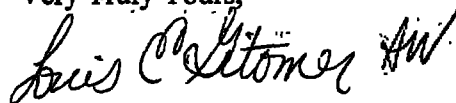
A fee of \$41.00 is enclosed. Please return one copy by email to:

Louis E. Gitomer
600 Baltimore Avenue, Suite 301
Towson, MD 21204
Lou_Gitomer@verizon.net

Ms. Cynthia T. Brown
December 1, 2009
Page 2

A short summary of the document to appear in the index follows: a Memorandum of Lease Agreement dated as of November 23, 2009 between GATX Rail Locomotive Group, L.L.C., Four Embarcadero Center, Suite 2100, San Francisco, CA 94111, and Gallatin Steel Company, 4831 U.S. Highway 42 West, Ghent, KY 41045-9704, covering two SW 1001 locomotives numbered GMTX 92 and 93.

Very Truly Yours,

A handwritten signature in black ink, appearing to read "Louis E. Gitomer". The signature is fluid and cursive, with a small mark to the right that could be initials or a flourish.

Louis E. Gitomer

RECORDATION NO. 28086 FILED

DEC 01 '09 -10 08 AM

SURFACE TRANSPORTATION BOARD

MEMORANDUM OF LEASE AGREEMENT

dated as of November 23, 2009

between

GATX RAIL LOCOMOTIVE GROUP, L.L.C.,

as Lessor,

GALLATIN STEEL COMPANY

as Lessee,

MEMORANDUM OF LEASE AGREEMENT

THIS MEMORANDUM OF LEASE AGREEMENT is made and entered into as of November 23, 2009, between GATX RAIL LOCOMOTIVE GROUP, L.L.C. ("Lessor"), Four Embarcadero Center, Suite 2100, San Francisco, CA 94111, and GALLATIN STEEL COMPANY ("Lessee"), 4831 U.S. Highway 42 West, Ghent, KY 41045-9704, with reference to the following:

1. Pursuant to that certain Locomotive Lease Agreement dated November 23, 2009, between Lessor and Lessee (the "Lease Agreement"), Lessor has agreed to lease to Lessee, and Lessee has agreed to lease from Lessor, two SW1001 locomotives with road numbers GMTX 92 and 93 (the "Units").
2. In consideration for the rights granted to Lessee under the Lease Agreement, the sufficiency of which Lessee hereby acknowledges, Lessee hereby confirms and grants Lessor a first priority security interest in the Units.
3. This Memorandum of Lease Agreement may be executed in any number of counterparts, each executed counterpart constituting an original but all together only one Memorandum of Lease Agreement.

IN WITNESS WHEREOF, the parties hereto have executed or caused this Memorandum of Lease Agreement to be executed as of the date first above written.

GATX RAIL LOCOMOTIVE GROUP, L.L.C.,
as Lessor

By: Eileen Raphael
Name: EILEEN RAPHAEL
Title: Vice President

GALLATIN STEEL COMPANY
as Lessee

By: Mark A. Santen, CPA
Name: MARK A. SANTEN
Title: GM Administration

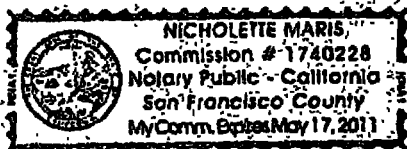
STATE OF CALIFORNIA)

COUNTY OF SAN FRANCISCO)

On Nov. 30, 2009, before me, Nicholette Maris, Notary Public, personally appeared Eileen Raphaël, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity, and that by her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

Witness my hand and official seal.



Nicholette Maris
Notary Public
My Commission expires: May 17, 2011

STATE OF Kentucky)
) ss:
COUNTY OF Gallatin)

On this 23 day of November 2009, before me, Millicent A. Surratt the undersigned Notary Public, personally appeared Mark Santea personally known to me to be the person who executed the within instrument as Gen. Administration on behalf of the corporation therein named, and acknowledged to me that the corporation executed it.

[Seal]

Millicent A. Surratt
Notary Public

My commission expires:

July 10, 2010

MILICENT A. SURRATT
NOTARY PUBLIC
STATE AT LARGE
KENTUCKY
MY COMMISSION EXPIRES JULY 10, 2010